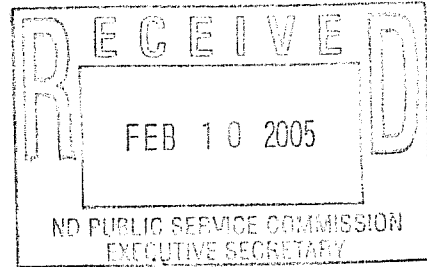




February 9, 2005

Ms. Illona A. Jeffcoat-Sacco  
Executive Secretary  
North Dakota Public Service Commission  
600 E. Boulevard, Dept. 408  
Bismarck, ND 58505-0480



Re: **Supplement to the Letter of Intent to submit an application for a Certificate of Site Compatibility, a Certificate of Corridor Compatibility and a Route Permit for the Rugby Wind Farm, Pierce County, North Dakota**

Dear Ms. Jeffcoat-Sacco:

PPM Energy, Inc. (PPM) is filing this supplement to the Letter of Intent (LOI) dated January 26, 2005 to provide information on the estimated project costs and to seek a shorter LOI notice period.

PPM estimates the cost of construction of the wind project to be approximately \$170 million. The estimated cost of an 8 mile 230 kV transmission line is approximately \$2.75 million.

Pursuant to 69-06-03-01 of the North Dakota Administrative Code, PPM is required to submit an LOI at least one year prior to the filing of an application for a certificate of site compatibility or corridor compatibility unless a shorter period is approved by the North Dakota Public Service Commission (Commission).

PPM seeks to shorten the one year notice period between the filing of the LOI and an application for a certificate. PPM requests a shorter notice period to allow it to file a permit application(s) for a wind project and possibly a transmission line in the later half of February or early March, 2005. A key incentive for wind energy is the federal production tax credit. This credit was recently extended and is set to expire at the end of 2005. If PPM waited for one year before filing a permit application(s) with the Commission, it would forgo any opportunity to develop the project by the end of 2005 and utilize the federal production tax credit. The Rugby Wind Farm would not be a viable project without receiving this credit.

Please do not hesitate to contact me if you have any questions about the project or this supplement to the Letter of Intent. You can reach me by phone at 651-917-9285 or e-mail at [timothy.seck@ppmenergy.com](mailto:timothy.seck@ppmenergy.com).

Sincerely,

Tim Seck  
Manager, Midwest Renewables

cc: Michelle Bissonnette – HDR Engineering, Inc.

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Supplement to Letter of Intent  
PPM Energy, Inc.